



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 24, 2006

H.R. 5766 **Government Efficiency Act of 2006**

As ordered reported by the House Committee on Government Reform on July 20, 2006

H.R. 5766 would authorize the President (through executive orders) and the Congress (through joint resolutions) to create Federal Review Commissions to review the performance and effectiveness of federal programs and agencies. The bill also would provide fast-track legislative authority for Congressional action on any recommendations resulting from those reviews. The legislative recommendations could include the reorganization, consolidation, abolishment, expansion, or transfer of the programs and agencies reviewed. Each commission, consisting of seven voting members and up to four ex-officio members, would be appointed by the President in consultation with the Congress. Members would serve without pay but would be reimbursed for travel expenses. The commissions could hire staff or use personnel from other agencies. The commissions would terminate 90 days after submitting their final report and legislative recommendations.

The costs of creating review commissions would vary depending on the number of agencies and programs reviewed, the level of detail involved, and the depth of the analysis. CBO expects that complying with the bill's provisions would increase costs that are subject to the availability of appropriations. CBO has no basis to estimate the number of commissions that might be established under H.R. 5766. In recent years, the cost for commissions has ranged from \$1 million for the President's Commission to Strengthen Social Security to about \$12 million for the Base Realignment and Closure Commission. Thus, such costs could total at least a few million dollars a year, and possibly significantly more if the President and the Congress make extensive use of such review commissions. Any budgetary impacts from implementing the commissions' recommendations would depend on enactment of future legislation.

Enacting the bill would not affect direct spending or revenues. H.R. 5766 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On July 11, 2006, CBO transmitted a cost estimate for S. 3521, the Stop Over Spending Act of 2006, as ordered reported by the Senate Committee on the Budget on June 22, 2006. On

September 27, 2005, CBO transmitted a cost estimate for S. 1399, the Government Reorganization and Program Performance Improvement Act of 2005, as introduced on July 14, 2005. Those bills also dealt with the review of federal agencies and programs but have different provisions. CBO's cost estimates reflect those differences.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.